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October 24, 2007

Department of Natural Resources Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, Utah 84114-5801

Gentlemen:

This letter is to inform you that the City of Herriman has accepted a petition for the annexation of a large parcel of land which includes property owned by Development Associates, Inc. It is anticipated that the annexation will be effective 1 January 2008. The City has reviewed preliminary plats that would anticipate approvals upon the effective date of the annexation.

Pursuant to the above information, the City would anticipate the issuance of a conditional use permit to Rockco, LLC to continue the mining of rocks and boulders to begin the rock crushing process for the production of usable product in the developmental process. The City will now accept the responsibility and will provide oversight of the crushing operation and on-going review of the conditional use permit.

Please feel free to call with question or concern.

Sincerely,

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